

Regulated information within the meaning of the Royal Decree of November 14, 2007



P R E S S R E L E A S E

Trading update third quarter 2020

Antwerp,
November 23, 2020,
7.00



ACKERMANS & VAN HAAREN
Partners for sustainable growth

Trading update third quarter 2020

"Despite the impact of COVID-19 and the resulting lockdowns, particularly in the project-based activities of DEME, CFE/BPI and Extensa, I am impressed by the recurring profit potential of the AvH model.

At DEME, tendering activity is very brisk in both the dredging and offshore wind market. DEME's positioning in terms of green hydrogen production concessions is promising.

The gross inflow of assets entrusted by our clients of Delen Private Bank and Bank J.Van Breda & C° continues to increase to record levels. Both banks also continue to expand their digital services to their clients.

At the same time, there is a great momentum at AvH in terms of investment activity. In 2019/2020, we invested in eight new technology-driven businesses, ranging from cleantech (Biolectric) to agtech (Biotalys, Verdant Bioscience), medtech/healthcare (HealthQuad, Medikabazaar, MRM Health, Indigo) and recently also OMP (20% participation) in supply chain planning software.

OMP is one of these hidden champions in Belgium, with a very strong reputation in the global market of digitalised supply chain planning tools. We are convinced that we can support them, together with the management and all employees-shareholders, in the further development of their cloud-based software solutions and international growth."

Jan Suykens, CEO - Chairman of the executive committee

This trading update gives an overview of the main developments at Ackermans & van Haaren and its main participations since the half-year report that was published at the end of August 2020.

General situation of the group as of September 30, 2020 and outlook

After a first half-year in which the society as a whole was confronted with the shock of the corona pandemic, the economic activity recovered further in the third quarter.

In line with that trend, Ackermans & van Haaren realised a marked improvement in its results over the past third quarter, reporting a net profit which is at a similar level as in the third quarter of 2019.

Ackermans & van Haaren is therefore well on schedule to confirm the previously formulated expectations that a clear improvement in the results would be achieved in the second half of the year compared to the first six months of 2020, even though a certain degree of caution is advised with regard to the further course of the health crisis and its consequences.

Given the solid net cash position of 193.5 million euros at September 30, and strengthened by the recovery of the results, the board of directors proposed to a special general meeting of shareholders to pay a dividend (of 2.32 euros per share), which was approved on November 9 by a vast majority. This dividend was made payable on November 16, 2020.

As had been pointed out earlier, the group continued to invest even in this challenging year 2020, both at the level of the participations and at the level of Ackermans & van Haaren. Up to the end of September, Ackermans & van Haaren had already invested approximately 75 million euros in strengthening existing participations and in new participations. On November 12, AvH also announced that it would become a strategic investor (participation of 20%) in OMP, one of the global leading providers of supply chain planning software.

Cash position

As was already mentioned above, AvH (including subholdings) had a net cash position of 193.5 million euros at the end of September 2020, compared to 201.0 million euros at the end of June 2020. This position consisted of 51.1 million euros in cash investments and 109.3 million euros in cash and cash equivalents and short-term deposits. The rest is made up of treasury shares, less short-term debts in the form of commercial paper amounting to 6.0 million euros. This position does not include the confirmed (unused) credit lines of 280 million euros at AvH's disposal as of September 30, 2020.

AvH owned 378,250 treasury shares as of September 30, 2020 (same as at June 30, 2020) to hedge present and future stock option plan obligations. On September 30, 2020, 13,366 treasury shares are to be added, which result from acquisitions and disposals within the framework of the AvH stock liquidity agreement.

Marine Engineering & Contracting

By purchasing CFE shares on the stock market during the third quarter, AvH increased its stake in CFE to 62.06%. Consequently, the participations in DEME (62.06%), Rent-A-Port (81.03%) and Green Offshore (81.03%) increased as well.

DEME

DEME (AvH 62.06%) realised a consolidated turnover over the first nine months of 2020 of 1,680.1 million euros, compared to 2,021.5 million euros over the same period last year.

Although DEME still experienced COVID-19 problems during the execution of its projects across the different continents in the past third quarter, it was able to limit the loss of turnover compared to the third quarter of the previous year to 6%.

Cumulatively over the first nine months, the turnover is approximately 340 million euros lower than last year. Partly due to logistical complications and delays in the start-up and execution of projects, turnover decreased in both the dredging segment (to 677.8 million euros or 40.3% of total turnover) and at DEME Offshore (to 717.1 million euros or 42.7% of total turnover). Only DIMCO, DEME's subsidiary specialising in large-scale infrastructure works, has seen its turnover increase relative to last year, thanks to a few major projects in progress in the Netherlands. The start-up of large-scale projects such as Oosterweel in Antwerp and Fehmarnbelt in Denmark is being prepared.

In the third quarter, DEME achieved important milestones on various offshore wind farms, such as the completion of the installation of 94 turbines on Borssele 1 & 2 (Dutch North Sea) and the installation of the third offshore substation and the production of 45 foundations for Moray East (Scotland). In October, work began on the installation of the monopiles for Hornsea Two (UK) with the offshore installation vessel 'Innovation'.

DEME's order backlog amounted to 3,960 million euros at the end of September 2020, compared to 4,300 million euros at the end of June 2020 and 3,750 million euros end 2019. Pending financial close, the substantial contract for the installation of the inter-array cables for Dogger Bank (UK) that was announced at the end of August is not yet included in this order backlog. With its 3.6 GW, Dogger Bank is the world's largest offshore wind farm under development. The scope includes the engineering, procurement, construction and installation of the subsea cables for the two wind farms Dogger Bank A and Dogger Bank B, which together will generate 2.4 GW. DEME Offshore will supply, install and protect 650 km of 66 kV cables and all related accessories. Likewise, the projects for the Hai Long and Zhong Neng offshore wind farms in Taiwan (total contract worth more than one billion euros) are not included in this order backlog at the end of September.

The cutting of the first steel plates at the end of September in Taiwan marked the start of construction work on the groundbreaking installation vessel 'Green Jade'. The vessel, which will be launched in 2022, will be deployed on the Hai Long Offshore Wind Project as well as on Zhong Neng for the Zhong Neng Wind Power Corporation Preparatory Office. DEME also launched its first Service Operation Vessel, the 'Groene Wind', at the CEMRE shipyard (Turkey). This SWATH vessel (Small Waterplane Area Twin Hull) will be deployed for the maintenance of wind farms such as Rentel and SeaMade. Finally, at the beginning of November, DEME held a virtual launching ceremony for its next generation trailing suction hopper dredgers, the 'Bonny River' and the 'Meuse River'.

DEME has joined the European Clean Hydrogen Alliance to support the EU's ambitious hydrogen and decarbonisation strategy. By this membership, DEME underlines its commitment to use its expertise for the production, transport and storage of green hydrogen from renewable energy sources.



DEME - Hornsea Two



DEME - Living Stone



DEME - Groene Wind



CFE - Jardins de la Chasse - Etterbeek

As was already announced after the first half-year, DEME took measures to cut costs and is also critically reviewing its investments. As a result of further delays in the construction of the megacutter 'Spartacus', delivery of which will probably be postponed until Q1 2021, and the 'Orion' (delivery towards the end of 2021), the investments were limited to 174.4 million euros as of September 30, 2020. Taken into account some divestments and the disposal of the 12.5% stake in the German offshore wind farm Merkur in the first six months, the net investments are even limited to 113.0 million euros.

Consequently, DEME's net financial debt remained well under control, and could even be reduced to 649 million euros as of September 30, 2020.

As already mentioned with the half-year results, DEME expects to also achieve a positive net result in the second half of the year, with a turnover for the entire year which is expected to be 15% to 20% lower than in 2019.

In the fourth quarter, DEME Offshore acquired the Dutch company SPT Offshore from VE Partners and the management of the company. SPT Offshore is a leading offshore contractor for suction pile anchors and foundations, and is active worldwide. DEME Offshore thus acquires an additional, fast and environmentally friendly technology for the offshore renewable energy market that can be deployed for the installation of fixed foundations and for anchoring floating structures. With approx. 40 employees, SPT is active on the European and Asian markets and is expected to realise a turnover of approximately 20 million euros in 2020.

CFE

Within the CFE group (AvH 62.06%), CFE Contracting reported a turnover of 656.7 million euros over the first nine months of the year, a decrease of 10.6% (Q3 2019: 734.3 million euros). The pandemic had a very limited impact in the third quarter. The level of activity was in line with the third quarter of 2019, while productivity on the projects has, save for a few exceptions, returned to the level before the crisis. The second wave of COVID-19 and the accompanying lockdown measures could affect activity in the fourth quarter. Nevertheless, CFE Contracting expects a far more limited impact than in the spring of 2020.

The order book of CFE Contracting amounted to 1,533.1 million euros as of September 30, 2020, a 10.6% increase compared to December 31, 2019. At the end of September 2020, CFE Contracting, through its subsidiaries Van Laere, BPC and VMA, won the biggest contract in its history. The contract for the construction of the ZIN complex in

Brussels is worth more than 200 million euros. The multifunctional complex of 110,000 m² will comprise 70,000 m² of office space for the Flemish government, as well as accommodation (apartments and a hotel), leisure, catering, coworking space and retail. Construction work has just begun, and completion is due in 2023. The construction of this iconic building is perfectly in line with the sustainable ambitions of CFE Contracting. Emphasis in this highly innovative project is on the choice of circular materials.

CFE Contracting confirms its previously issued outlook for the full year 2020, namely a decrease in turnover by approximately 10% and a positive net result.

In the Real Estate Development division, BPI obtained three major projects in the third quarter. On 'Le Domaine des Vignes' in Mertert, 248 apartments and 31 houses will be built and marketed. Of the 57 apartments in the first phase, 54 have already been sold. The first deliveries are scheduled for 2022. During the summer, BPI also closed the transaction to acquire part of the real estate portfolio of the Luxembourg property developer Soludec. In Poznan, Poland, BPI acquired a site of 5.5 hectares, its biggest-ever acquisition in Poland. The project, in partnership with Revive, involves the construction of more than 1,000 housing units, and 24,000 m² of offices and retail space.

Sales of the residential programmes are still progressing satisfactorily. On the other hand, delays in the processing of building permits for projects in Brussels have been mounting further. This means more than a year's delay in the start of commercialisation and construction of new projects.

BPI, too, confirms its previously issued outlook for the full year 2020, namely an increase in the net result compared to 2019.

Private Banking

5 The combined assets entrusted by the clients of Delen Private Bank and Bank J.Van Breda & C° increased in the third quarter to 51.3 billion euros, compared to 49.8 billion euros at the end of June 2020. As of December 31, 2019, those assets amounted to 51.9 billion euros.

Delen Private Bank

At Delen Private Bank (AvH 78.75%), the excellent performance of the portfolio management, combined with a solid net inflow of new assets, was reflected in a substantial further increase of assets under management to 42.4 billion euros on a consolidated basis (Delen Private Bank, JM Finn, Oyens & Van Eeghen), compared to 41.2 billion euros at the end of June 2020.

The share of discretionary managed assets increased further to 35.5 billion euros of the total (in Belgium nearly 85%).

The efficient deployment of new digital technological solutions allowed Delen Private Bank and Cadelam to manage the portfolios in a serene manner and to respond to fast-changing market conditions. With positive returns for the clients in asset management after nine months in 2020, the client assets were well-protected.

The vast majority of clients have downloaded the Delen App. At the same time, thousands of families use the Delen Family Services (DFS), which is also available digitally. DFS provides insight into the client's patrimony and combines this with a digital archive for his important documents.

FinAx: Assets under management

(€ million)	3Q20	1H20	2019
Delen Private Bank	42,413	41,231	43,566
Delen Private Bank	31,281	30,340	31,489
JM Finn	10,345	10,134	11,448
Oyens & Van Eeghen	787	757	629
Bank J.Van Breda & C°			
Off-balance sheet products	11,241	10,870	10,651
Client deposits	5,840	5,651	5,416
AuM at Delen ⁽¹⁾	-8,214	-7,928	-7,761
FinAx	51,280	49,824	51,872

⁽¹⁾ Already included in AuM Delen Private Bank

Bank J.Van Breda & C°

Bank J.Van Breda & C° (AvH 78.75%) again reported a strong performance with an increase of client deposits to 5.8 billion euros (end of June 2020: 5.6 billion euros) and off-balance sheet investments to 11.2 billion euros (end of June 2020: 10.9 billion euros). As a result, the total assets invested by clients increased to 17.1 billion euros (end of June 2020: 16.5 billion euros).

The total loan portfolio amounted to 5.3 billion euros (end of June 2020: 5.3 billion euros). Despite the economic crisis as a result of COVID-19, the loan losses incurred by Bank J.Van Breda & C° in its portfolio are very limited.

Van Breda The Square, a meeting platform where entrepreneurs and liberal professionals can inspire each other, was successfully launched with 1,170 active members, who met virtually or physically at 18 webinars, 14 brainstorming sessions and 12 inspirational walks.



Delen Private Bank - Antwerp

Real Estate & Senior Care

Leasinvest Real Estate

Leasinvest Real Estate (LRE, AvH 30.01%) recorded a net loss of 9.4 million euros in the first nine months of 2020, compared to a net profit of 39.6 million euros in the same period last year. This significant decrease is the result not only of slightly lower rental income compared to last year, but in particular of the impairment loss (-38.2 million euros, at market price) on the 10.7% participation in Real Estates.

The fair value of the consolidated real estate portfolio, including project developments, remained stable at 1.1 billion euros, compared to the end of June 2020. In July, LRE received planning permission for Monteco, the first wooden office building in the European district in Brussels.

The rental income decreased to 45.7 million euros in the first nine months of 2020, compared to 48.7 million euros in the first nine months of 2019. The decrease is the result of a partial loss of rent due to the COVID-19 lockdown and changes in the real estate portfolio in 2019. The overall occupancy rate and the rental yield amounted to 92.01% (H1 2020: 91.05%) and 5.89% (H1 2020: 5.90%) respectively.

At the end of September 2020, the shareholders' equity (group share) amounted to 450 million euros (end of June 2020: 428 million euros). The debt ratio decreased to 56.54% (58.07% at the end of June 2020).

Extensa

At Extensa (AvH 100%), off-plan sales of six apartment buildings (totalling 319 units) of the Park Lane project on Tour & Taxis continue, despite a delay caused by the COVID-19 crisis. The operation of the underground car park (908 parking places) for the Gare Maritime is expected to improve as the office modules are brought into use in the second half of 2020. From the second quarter, the trade fairs, events and seminars in Tour & Taxis were cancelled or at least postponed until the second half of 2020. Given the present evolution of the COVID-19 crisis, all activities have now been postponed until further notice.

In the Cloche d'Or project in Luxembourg (Extensa 50%), the final phase of the first residential project (ilot A) was delivered in the third quarter. Of the new residential project (ilot D - 345 apartments), 65% of the apartments have already been sold off-plan. Construction work is continuing on five new office buildings (approximately 30,000 m² in total), which include 'Spaces' (4,300 m²) and a new head office for Intesa Sanpaolo (10,800 m²). Construction of the 'Bijou' office building (6,000 m²) was completed in the third quarter of 2020. This building, which is fully let, was already sold in October 2020.

Anima Care

At the beginning of July, Anima Care (AvH 92.5%) acquired the residential care centre 'Les Trois Arbres' in Mellet (Hainaut), with a capacity of 54 beds.

As of September 30, 2020, Anima Care had 2,539 beds in operation, of which 2,150 nursing home beds, 130 convalescence beds and 259 service flats, spread over 23 care centres (9 in Flanders, 7 in Brussels, 7 in Wallonia).



Extensa - Tour & Taxis

Energy & Resources

SIPEF

The total palm oil production of SIPEF (AvH 34.68%) increased over the first nine months of 2020 by 5.3% to 247,027 tonnes (Q3 2019: 234,505 tonnes). On the Indonesian plantations, a favourable precipitation pattern in the third quarter mitigated the expected negative impact of the drought of mid-2019. The oil extraction rates (OER) are generally slightly lower than last year, with the exception of the Dendymarker mill in South Sumatra. Consequently, the oil volumes produced increased by only 1.8% compared to last year. In Papua New Guinea, the recovery from the volcanic eruptions is progressing favourably. In the third quarter of 2020, own fruit production increased by 48.4% compared to the catastrophic third quarter of 2019. Thanks to the normalised weather pattern and favourable extraction rates (24.4%), the volume of oil produced increased by 11.3%.

Demand for palm oil, both for food and biodiesel applications, remained strong in the third quarter. The price of palm oil increased as well, from 585 USD per tonne at the beginning of July to 770 USD per tonne by mid-September, before closing the quarter at 710 USD per tonne CIF Rotterdam.

Except for a brief but sharp decrease in the price of palm oil in the second quarter, COVID-19 has so far had no significant direct negative financial impact on the operational activities of the SIPEF group. Based on the palm oil sales already realised and recent market conditions, SIPEF expects a return to profit for the year 2020 and a recurring consolidated result after tax between 10 and 15 million USD.

The expansion in South Sumatra, Indonesia, continued steadily with an increase in Musi Rawas of 1,340 cultivated hectares to a total area of 13,543 hectares by the end of September 2020. In addition, 4,210 hectares have already been replanted in the nearby Dendymarker plantation.

The restructuring of the rubber activities in Indonesia was already started in the second half of the year with a number of measures to cut costs, reduce investments and, where possible, prepare for the future conversion from rubber to oil palm. The timing of the implementation of this conversion will depend on the approvals that will be obtained for such a change of use of the land.

Sagar Cements

In July 2020, the final tranche of the preferential allocation of convertible warrants was exercised. AvH participated in the preferential allocation on a 50/50 basis, together with the Reddy family. As a result, its interest increased to 21.85%.



SIPEF



SIPEF

AvH & Growth Capital

At the beginning of July, HealthQuad (India) successfully completed the first closing of its second fund with more than 68 million USD in committed capital. AvH has assumed the role of anchor investor in **HealthQuad II** and is investing 15 million USD over a period of four years. Besides AvH, which was also the anchor investor in HealthQuad's first fund, the second fund will be supported by Teachers Insurance and Annuity Association of America (TIAA), the Indian-based SIDBI, Swedfund and Merck & Co. Inc.

At the end of July, AvH announced that it will invest 6 million euros, phased according to milestones to be achieved, in **Indigo Diabetes**, as part of a 'Series B' capital round of 38 million euros. As a result, AvH acquires a participation of 9.1% (fully diluted). Indigo Diabetes is a young high-tech company that develops medical applications based on nanophotonics. The firm boasts an excellent management team that has emerged from a unique ecosystem that combines the photonics expertise of Ghent University with imec's nanoelectronics expertise. The new investment round will enable Indigo Diabetes to further develop its invisible multi-biomarker sensor for people with diabetes and to prepare and start up the clinical trial phase with a view to securing approval for the European and US market.

Biotalys (AvH 13.3%) won the 'Crop Protection Solution of the Year' and the 'Overall Food Quality Solution of the Year' awards in the prestigious 'AgTech Breakthrough Awards' programme. The firm also received a research grant of 1.1 million euros from the Flemish Agency for Innovation & Entrepreneurship (VLAIO). The grant, which runs for three years, supports the development of the new protein-based bio-bactericides for the management of bacterial plant diseases.

In September, **Mediahuis** (AvH 13.5%) announced the planned acquisition of NDC Mediagroep, the largest independent media company in the Northern Netherlands and publisher of a.o. Dagblad van het Noorden and Friesch Dagblad. The acquisition is still subject to the approval of the competent authorities.

Events after balance sheet date

At **Agidens** (AvH 86.2%, including indirect participation through AXE Investments), Hedwig Maes was appointed as the new CEO on October 1, 2020. He is a senior executive with more than 30 years' international experience in industrial automation and industrial systems, including 14 years at General Electric and 10 years at Rockwell Automation.

On November 12, 2020, AvH announced that it is acquiring a 20% stake in **OMP**. As a result, AvH becomes a strategic investor in one of the leading solution providers in the field of supply chain planning. With the long-term support of AvH and under the leadership of CEO Anita Van Looveren, OMP will continue to invest heavily in its cloud-based software and in international growth, in the context of a volatile and digital world which is facing changes in the supply chain as a result of the COVID-19 crisis. The transaction is subject to the usual conditions precedent and is expected to be closed towards the year-end. Further details of the transaction will not be released until after the closing.

On November 13, **Mediahuis**, together with Ergon Capital, sold its interest in the leading European 'braintainment' company Keesing Media Group to the international investment company BC Partners. The acquisition is still subject to the approval of the competent authorities.

On November 16, **OncodNA** (AvH 10.6%) successfully closed the takeover bid for the French company IntegraGen. OncodNA now owns 63.71% of the share capital of IntegraGen. This transaction brings together the expertise of OncodNA in the field of oncology precision medicine and the know-how of IntegraGen in the field of DNA sequencing services and bioinformatics analyses. The comprehensive solution will benefit the treatment of patients with advanced cancer.



OMP

Ackermans & van Haaren



⁽¹⁾ Incl. participation via AXE Investments

⁽²⁾ Incl. participation via HealthQuad I Fund

⁽³⁾ Fully diluted



Ackermans & van Haaren is a diversified group operating in 4 core sectors: Marine Engineering & Contracting (DEME, one of the largest dredging companies in the world - CFE, a construction group with headquarters in Belgium), Private Banking (Delen Private Bank, one of the largest independent private asset managers in Belgium, and asset manager JM Finn in the UK - Bank J. Van Breda & C°, niche bank for entrepreneurs and the liberal professions in Belgium), Real Estate & Senior Care (Leasinvest Real Estate, a listed real estate company - Extensa, a major land and real estate developer with a focus on Belgium and Luxembourg) and Energy & Resources (SIPEF, an agroindustrial group in tropical agriculture).

At an economic level, the AvH group represented in 2019 a turnover of 5.6 billion euros and employed 21,522 people through its share in the participations. The group focuses on a limited number of strategic participations with a significant potential for growth. AvH is listed on Euronext Brussels and is included in the BEL20 index, the Private Equity NXT index and the European DJ Stoxx 600 index.

Website

All press releases issued by AvH and its most important group companies as well as the 'Investor Presentation' can also be consulted on the AvH website: www.avh.be. Anyone who is interested to receive the press releases via email has to register to this website.

Financial calendar

February 26, 2021	Annual results 2020
May 20, 2021	Interim statement 1Q21
August 31, 2021	Half year results 2021

Contact

For further information
please contact:

Jan Suykens
CEO - Chairman executive committee
Tel. +32.3.897.92.36

Tom Bamelis
CFO - Member executive committee
Tel. +32.3.897.92.42

e-mail: dirsec@avh.be

